

FISCAL NOTE
HB 497 - SB 556

March 10, 2001

SUMMARY OF BILL:

1. Requires that any person who engages in a logging operation, regardless of the size of the operation, must post a performance bond with the Commissioner of Environment and Conservation if the operator has ever: (a) been fined or cited by any governmental entity; (b) been adjudicated in litigation with any governmental entity or private party to have violated any state or federal environmental statute or regulation; (c) been found by the commissioner to have intentionally, willfully or recklessly caused degradation of forest resources.
2. Requires an operator to notify the Commissioner of Environment and Conservation at least 30 days prior to commencing a logging operation and submit certain information about the proposed logging activity.
3. Requires a performance bond in the amount of \$200 per acre with a minimum of \$10,000 and a maximum of \$75,000. The bond may be forfeited if continuation of the logging activity is a threat to public health, or causes pollution and reasonable and practicable efforts have failed to obtain corrective action, or corrective measures are not likely to occur within an appropriate timeframe, or the site has been abandoned. Failure to comply with notification or bonding requirements subjects person to penalties as outlined in the bill.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$152,000
\$20,000 One-Time

Estimate assumes increased expenditures for four positions and related expenses for staff to enforce the requirements contained in the bill. Enforcement activities will be the responsibility of the Department of Environment and Conservation.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.


James A. Davenport, Executive Director

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